

**City of Milpitas
Economic Development Commission
Monday, January 12, 2004**

MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black	Diane McDonough
Dhaval Brahmbhatt	Donald Peoples
Frank DeSmidt	Michael Pham
Christie Gammon (Alt. No. 1)	Vincent Songcayawon
Joe Gigantino	Tomo Tuong Nguyen (Alt. No. 2).
Ray Maglalang	

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: None

City Staff Present: Thomas Wilson, Joe Oliva, James Lindsay, Cindy Maxwell.

3. Announcements

Cindy Maxwell, city staff, noted the Commissioners Recognition Event will be July 23 and asked if any Commissioners would like to attend the presentation of the Joint Venture Silicon Valley 2004 Index. She also indicated the Milpitas High School Digital Business Academy was looking for new Board members and noted they would hold a fundraiser dinner on February 6. Commissioner DeSmidt distributed information on Chamber of Commerce events. Mayor Esteves invited the Commission to attend the January 26 50th Anniversary Commemoration Ceremony.

4. Minutes

Motion to approve the minutes as submitted.

M/S: Brahmbhatt/Black Abstain: DeSmidt and Maglalang

Ayes: Black, Brahmbhatt, Gigantino, McDonough, Peoples, Pham and Songcayawon

The Chair noted that the motion passed.

5. Citizens Forum

Richard Ruth, 1673 Quail Drive, Milpitas, described the "report card" the Bay Area Council recently published on housing needs and expressed concern about Milpitas' rating. He

also read portions of a related Mercury News article and discussed an editorial in the Milpitas Post.

Tom Wilson, City Manager, described the Bay Area Council, noted this was their first report on housing and discussed potential discrepancies in the report. Commissioner Ray Maglalang suggested applying for more grant funding from the water district and indicated his support for Commissioner Songcayawon's ideas about solar power.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Black/Songcayawon Ayes: Unanimous

7. Election

8. Commissioner Michael Pham nominated Dhaval Brahmbhatt for Chair. Vice Chairman Brahmbhatt withdrew his name from consideration. Commissioner Don Peoples suggested that the current Chair and Vice Chair be retained since they hadn't served a full year.

Motion to nominate Diane McDonough for Chair: Peoples/Black Ayes: Unanimous

Motion to nominate Dhaval Brahmbhatt as Vice Chairman. Peoples/Black
Ayes: Unanimous

9. Economic Development Plan Status

Joe Oliva, city staff, briefed the Commission on the status and history of the selection process for a consultant to prepare an economic development plan. The Commission noted their interest in conducting a business survey and listed various information sources. Mayor Esteves led discussion regarding the proposed project schedule. Mr. Wilson cautioned that the project should not operate under too tight a timetable to encourage a high level of work quality that addresses Milpitas' uniqueness. The Commission expressed interest in reviewing a detailed work schedule prepared by the selected consultant.

10. Town Center Proposal

James Lindsay, city staff, briefed the Commission on the scope and status of a proposal to redevelop a portion of the Town Center with housing and retail. The Commission discussed the proposal's impact on existing businesses in the Town Center and other supermarkets in Milpitas. Mr. Lindsay noted that the city is working to develop a level of affordability in the housing units and discussed planning efforts to provide additional senior housing. Commissioner Black described how new housing and senior housing can affect the school district. The Commission discussed alternatives such as relocating the existing theatres, providing a cultural center on the site, specialty markets, and additional housing. Mr. Ruth noted that market forces generate locational decisions for businesses.

The Commission discussed the appropriateness of creating a subcommittee to review the proposal in more detail and making a recommendation to the Planning Commission. Mr. Lindsay described the review responsibilities of the Planning Commission and City Council for the project. He indicated there was no city or redevelopment agency funding for this

project. The Commission further discussed their role regarding the project. Commissioner Peoples cautioned against attempts to restrict market forces. Ms. Maxwell noted the Commission's bylaws do not authorize review of development projects. Mayor Esteves suggested the City Attorney be consulted regarding the Commission's authority for the Town Center proposal.

Motion for staff to report back on the Commission's responsibilities for land development projects at the next meeting: Songcayawon/DeSmidt
Abstain: Peoples Ayes: All

11. Subcommittee Reports

A. Business Incentives & Retention

Commissioner Don Peoples distributed a draft report and asked for comments from the Commission. He described the subcommittee's efforts in the nanotechnology sector and discussed possible actions by the city to encourage nanotechnology incubators. Vice Chairman Brahmhatt described opportunities for grant funding for nanotechnology and noted that he was appointed to a special committee in IEEE regarding nanotechnology.

B. Legislation

Commissioner DeSmidt distributed handouts on two legislative proposals and information on the Santa Clara County Coalition of Chambers of Commerce.

C. Profile

Commissioner Songcayawon reported on the subcommittee's recent meeting noting that staff will return with information about various programs related to the community's quality of life. He noted that the subcommittee would also consider merchandise marketing and development of a promotional brochure as short-term projects.

12. Customer Feedback Methods

It was the consensus of the Commission to assign this item to the City Profile Subcommittee for consideration.

10. Next Meeting

It was noted that the next meeting of the commission would be Monday, February 9, 2004 at 6:00 p.m.

11. Adjournment

The Chair adjourned the meeting at 7:30 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, February 9, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Donald Peoples
Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 2).

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Dr. Karl Black, Christie Gammon (Alt. No. 1), Joe Gigantino

The Chair designated Alternate Tomo Nguyen to fill a vacant seat on the Commission.

City Staff Present: Cindy Maxwell

3. Announcements

Vice Chairman Brahmbhatt announced that he was appointed to a committee on nanotechnology for the Institute of Electrical and Electronics Engineers, Inc., (IEEE). The Commission discussed the definition of nanotechnology.

Analyst Cindy Maxwell, reminded Commissioners to turn in their conflict of interest statements to the City Clerk by February 19 if they haven't already done so. She noted the 2004 Index for Silicon Valley, published by Joint Venture Silicon Valley, was included in the agenda packet as background information.

Mayor Jose Esteves announced that he requested a staff to report to the City Council on the status and needs of the City's permit system. He suggested that the Commission's concerns about the customer feedback process might be included too.

4. Minutes

Motion to approve the minutes as submitted.

M/S: Peoples/Maglalang Ayes: Unanimous

Absent: Black, Gigantino

5. Citizens Forum

There were no comments from the public.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: DeSmidt/Songcayawon

Ayes: Unanimous

Absent: Black, Gigantino

7. Economic Development Plan Status

Maxwell reported on the status of selected a consultant for the economic development plan. Commissioner Peoples indicated that the report from the Business Incentives & Retention Subcommittee should be completed by the time the consultant begins work on the project. Vice Chairman Brahmhatt congratulated the Mayor on creating the Economic Development Commission (EDC) as it will help facilitate the completion and implementation of the Plan.

8. Subcommittee Reports

A. Business Incentives & Retention

Commissioner Don Peoples noted that he had not received comments on the draft report. He described the subcommittee's involvement with finding office space for a nanotechnology incubator in the McCarthy Ranch. He reported that the subcommittee met to inventory infrastructure needs for nanotechnology and that San Jose State University Professional Development Department is interested in working with Milpitas on nanotechnology. Commissioner Peoples discussed issues related to the difficulty some firms have obtaining subleases for building space.

Mayor Esteves stated that this is an issue the EDC should explore. He also encouraged the EDC to look into other issues such as business need for sign space.

The Commission further discussed subleasing issues, noting that landlords need to know that subleasing is important even though there are no financial incentives to sublease. It was agreed that the issue should be identified in the economic development plan.

Motion to direct staff to inventory vacant buildings so the EDC can consider leasing and redevelopment options.

M/S: Songcayawon/Maglalang

Discussion on the motion included the use of staff resources and similar work already pursued by the Planning Commission. Debbie Giordano, Planning Commissioner, discussed the planning process and the role of the General Plan and zoning ordinance.

The makers of the motion withdrew the motion.

Motion to continue discussion of the issue to a future Commission meeting.

M/S: Songcayawon/Nguyen

Ayes: Unanimous

Absent: Black, Gigantino

Vice Chairman Brahmbhatt asked if the Commission could be briefed at a future meeting on the financial status of the VTA.

B. Legislation

Commissioner DeSmidt asked the Commission to recommend the City Council support workers compensation reform legislation that had a deadline of March 1. Maxwell noted that more specifics on the issue and background information are needed. There was discussion on the appropriate scope and nature of recommendations to the City Council. Commissioner DeSmidt asked for workers compensation to be placed on a future EDC agenda.

Commissioner DeSmidt announced that a signature campaign had begun for the taxpayers public safety protection act. Mayor Esteves noted that the City Council endorsed the proposal.

C. Profile

Commissioner Nguyen distributed and reviewed the subcommittee's report. Commissioner DeSmidt asked the status of the I-880 gateway project that started a few years ago. Commissioner Peoples asked that the energy task force report be distributed to the Commission. He suggested that city marketing materials include some historical information.

Commissioner Nguyen discussed the importance of maintaining a business friendly image.

Motion to agendize marketing the city and creating a "clean" city image for a future meeting.

M/S: Songcayawon/Nguyen

Commissioner Peoples suggested the subcommittee provide a final report instead of making this an agenda item. Maxwell noted the subcommittee could continue its work on these issues and then return with a report to the EDC.

The motion was tabled so the subcommittee could continue to work on the issues.

9. Budget

Maxwell reviewed the item and recommended the Commission request a budget of \$500 to cover the costs of meetings and conferences. The Commission discussed their need to attend meetings and that their experience this past year indicated they needed a budget for this purpose and that \$45 per commissioner was not sufficient.

Motion to recommend to the City Council that the budget for meetings and conferences for the EDC be a total of \$1,000, which equates to \$90 per commissioner.

M/S: Songcayawon/Brahmbhatt Ayes: Unanimous Absent: Black, Gigantino

10. Town Center

Maxwell discussed the role and scope of responsibilities for both the EDC and the Planning Commission. She noted the EDC might review and act on the general broad economic development issues related to a development project like the Town Center but not the specifics of the project. Commissioner DeSmidt noted the review process often stops at the Planning Commission and doesn't proceed to the City Council. The Commission further discussed the review process and EDC's role in it. Mayor Esteves compared the EDC's role to reviewing economic issues to the Parks, Recreation and Cultural Resources Commission's role reviewing park related issues in land development proposals.

Motion to extend the meeting another 15 minutes to 8:15 p.m.

M/S: Songcayawon/Maglalang Ayes: Unanimous Absent: Black, Gigantino

The Commission discussed the importance of considering economic issues in land development proposals. Maxwell noted that it is more useful for the City Council if recommendations from the EDC are specific. Commissioner Peoples discussed public participation requirements and constraints the Planning Commission and City Council have when they review applications.

Mayor Esteves explained that political issues could be difficult to distinguish from economic issues. Commissioner Peoples pointed out that making a recommendation to the Planning Commission was outside the scope of the bylaws. Mayor Esteves suggested providing the Planning Commission with a copy of any appropriate memos or recommendations that are forwarded to the City Council.

Motion for the Commission to review the economic impact of the Town Center proposal on existing businesses and make a recommendation to the City Council.

M/S: Brahmbhatt/Songcayawon Ayes: Brahmbhatt, Maglalang, Songcayawon

Noes: None

Abstain: DeSmidt, McDonough, Nguyen, Peoples, Pham.

Absent: Black, Gigantino

The motion failed for lack of a majority.

Commissioner Peoples stated he was opposed to the motion because it was outside the Commission's jurisdiction of responsibilities.

11. Next Meeting

It was noted that the next meeting of the commission would be Monday, March 8, 2004 at 6:00 p.m.

11. Adjournment

The Chair adjourned the meeting at 8:20 p.m.

Respectfully submitted,

Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, March 8, 2004**

MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black
Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Donald Peoples
Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 2)
Christie Gammon (Alt. No. 1)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Joe Gigantino

The Chair designated Alternate Christie Gammon to fill a vacant seat on the Commission.

City Staff Present: Cindy Maxwell, Joe Oliva, James Lindsay and Tom Wilson.

3. Announcements

Commissioner Dr. Karl Black announced that he was selling tickets for the School District's crab feed fundraiser.

Commissioner Don Peoples announced the upcoming Community Band Concert.

Commissioner Ray Maglalang inquired if a city representative could speak about the commercial online web page at an upcoming luncheon for the Filipino Real Estate Association.

Commissioner Frank DeSmidt announced the upcoming Chamber of Commerce coalition summit event and Chamber forum.

Vice Chairman Brahmbhatt that the committee on nanotechnology for the Institute of Electrical and Electronics Engineers, Inc., (IEEE) needs a city official to serve on the board of directors.

Analyst Cindy Maxwell, reminded Commissioners with expiring terms to speak to the Mayor regarding reappointment desires. She noted copies of the 2004 Northern California Commercial Real Estate Overview were distributed.

4. Minutes

Motion to approve the minutes as submitted.

M/S: Black/Maglalang

The Commission discussed clarifying the second motion under agenda item no. 10.

Ayes: Unanimous

Absent: Gigantino

5. Citizens Forum

There were no comments from the public.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Songcayawon/Black

Ayes: Unanimous

Absent: Gigantino

7. Midtown Plan Status

James Lindsay, Acting Planning Director, described the purpose and status of the Midtown Plan and expansion of the redevelopment area. He reported that streetscape work will first be constructed in front of the library and the selection process is underway for a consultant to create the Abel streetscape design. Future projects will be trails along Penitencia Creek and special design considerations around the BART and light rail station areas. Mr. Lindsay answered questions from the Commission and audience regarding marketing efforts and housing.

8. Economic Development Plan Status

Maxwell reviewed the status of the consultant selection process and reviewed the major elements of the scope of services.

Motion to recommend the City Council select Applied Development Economics (ADE) as the consultant and approve the draft scope of services.

M/S: Brahmbhatt/Songcayawon

The Commission discussed the need to make a recommendation.

Ayes: Unanimous

Absent: Gigantino

9. Subcommittee Reports

A. Business Incentives & Retention

Commissioner Don Peoples distributed the second draft of the subcommittee report. He asked for Commission comments so he can finalize the report for the next meeting. Vice Chairman Brahmbhatt spoke about the advantages of HUB and Enterprise Zones. Chair McDonough pointed out that the Commission needs to review and prioritize their work. The Commission discussed how to use the report recommendations. Commissioner DeSmidt discussed Business Incentive Districts.

B. Legislation

Commissioner DeSmidt reviewed two ballot measures related to State finances and reviewed recent actions by the Planning Commission affecting single family housing.

C. Profile

Commissioner Maglalang reported on the various projects being pursued by the Subcommittee. He described some previous work done by a consultant for the city on gateways. Commissioner Christie Gammon described an identification sign project proposed for Dixon and I-880 advertising several local businesses. Mayor Esteves talked about a planned gateway with a sign at the intersection of Calaveras Blvd. and Serra Way. Tom Wilson, City Manager, discussed gateway design options with the Commission.

Commissioner Black discussed the need to emphasize the importance of quality education for the community's economic growth. Mr. Wilson commented on the differences among communities in education funding.

Motion to recommend the Profile report to the City Council.

M: Songcayawon

The Commission discussed the report and appropriateness of taking an action now. The maker of the motion withdrew the motion.

10. Vacant Building Space Inventory

Because of time constraints, it was the consensus of the Commission to continue this item to the next meeting.

11. Committee Schedule

Vice Chairman Brahmbhatt proposed moving the start time of Commission meetings to 6:30 p.m. The Commission discussed the matter and the consensus was to keep the 6:00 p.m. meeting start time.

12. Fourth of July

Motion to continue this item to the next meeting when more information is available.

M/S: Peoples/Songcayawon

Ayes: Unanimous

Absent: Gigantino

13. Workers Compensation

Motion to continue this item to the next meeting when more information is available.

M/S: Peoples/DeSmidt

Ayes: Unanimous

Absent: Gigantino

11. Adjournment

The Chair adjourned the meeting at 8:00 p.m.

Respectfully submitted,

Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, April 12, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Diane McDonough
Donald Peoples

Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 1)
Christie Gammon

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Dr. Karl Black, Ray Maglalang

The Chair designated Alternate Tomo Tuong Nguyen to fill a vacant seat on the Commission.

City Staff Present: Cindy Maxwell and Tom Wilson.

3. Announcements

Commissioner Frank DeSmidt announced various Chamber of Commerce events and distributed the announcement flyer.

Chair Diane McDonough announced that VTA would hold a public meeting on April 19 and the Planning Commission and City Council would review the BART draft Environmental Impact Statement and Report (EIS/EIR).

Commissioner Peoples stated he was a member to the BART Community Working Group for Milpitas. He discussed options related to the railroad wye turnaround location and noted potential economic development impacts. The Commission discussed how to participate and comment on the draft EIS/EIR process.

Vice Chairman Dhaval Brahmbhatt that he would attend a nanotechnology conference in a few days and that he is co-chairman of the Institute of Electrical and Electronics Engineers, Inc., (IEEE) San Francisco Bay Area Nanotechnology Council.

4. Citizens Forum

John Habib, 1551 California Circle, identified himself with the Chevron Station at that address. He discussed the difficulties of getting an identification sign located at the site. He agreed to forward more detailed information to the Chair.

5. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: DeSmidt/Nguyen

Ayes: Unanimous

Absent: Black & Maglalang

6. Development Projects Review

City Manager Tom Wilson distributed a handout and reviewed ongoing land development efforts by private industry and by the City. Referring to the handout, he described proposed projects including their history, size and development intensity. Mr. Wilson also answered questions from the Commission regarding infrastructure improvements and affordable housing.

7. Economic Development Plan Status

Analyst Cindy Maxwell reported the status of the consultant selection process and the economic development plan project.

8. Subcommittee Reports

A. Business Incentives & Retention

Commissioner Don Peoples noted that he had not received any comments on the second draft of the subcommittee's report. He reviewed key points of the report. Mr. Peoples described the status of the nanotech incubator proposal. The Commission discussed staffing support. Mr. Wilson described how City economic activities are supported by a team of staff and that it would be impossible for one individual employee to pursue all economic development efforts currently underway.

The Commission talked about the proposal to convert industrial property to other uses. Mr. Wilson noted that the Planning Department is currently working on such a proposal. He emphasized that City staff, including senior management, work with private entities to develop positive solutions to meet their goals within city needs. Economic development activities are addressed at different levels throughout the organization. Work on the Midtown project is an example of aggressive economic development strategies and the comprehensiveness of the current staffing arrangements.

B. Legislation

Commissioner Frank DeSmidt reported that a ballot initiative to increase property taxes had been withdrawn. He noted future legislative action items were measures to reform unemployment insurance and health care costs. Mr. Wilson described how these two issues also impact city costs.

C. Profile

Chair McDonough indicated that the subcommittee report was drafted but research was still underway.

9. Vacant Building Space Inventory

Mr. Wilson explained that the vacant building space inventory would not be a profitable project for the city. He emphasized that the private market controls it and that larger tenants and property owners use professionals with sophisticated tools to help locate vacant space. Vice Chairman Brahmbhatt suggested that the City promote the online commercial real estate search more aggressively. The Commission discussed the need for a convention center with capacity for very large trade shows. Commissioner DeSmidt noted there was a long-identified need for larger meeting space in Milpitas.

10. Fourth of July

Ms. Maxwell and Mr. Wilson described the City's plans for the Fourth of July celebration and answered questions from the Commission. The Commission took no action on this item.

11. Workers Compensation

Commissioner DeSmidt reported that the City Council approved the letters to support workers compensation reform. He also described a related article appearing today in the *San Jose Mercury News*. The Commission took no action on this item.

12. Nanotechnology

Vice Chairman Brahmbhatt stated that the City should consider a nanotechnology incubator project and not wait for the consultant to make a recommendation. He suggested a report be prepared on how an incubator building can be set up. He indicated information on space and service needs would need to be obtained from private industry. Discussion followed regarding the siting process and the different roles of participants. The Commission took no action on this item.

11. Adjournment

The Chair adjourned the meeting at 8:10 p.m.

Respectfully submitted,

Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, May 10, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough
Donald Peoples

Michael Pham*
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 1)
Charlene Tsao (Alt. No. 2)*

Mayor Jose Esteves (Council Liaison)

*Arrived after Roll was taken

Commissioners Absent: Dr. Karl Black, Christie Gammon

The Chair designated Alternate Tomo Tuong Nguyen to fill a vacant seat on the Commission.

City Staff Present: Cindy Maxwell, Joe Oliva, and Tom Wilson.

3. Announcements

Commissioner Frank DeSmidt described a meeting that Chamber of Commerce representatives had with the Romanian ambassador at Solelectron.

Commissioner Maglalang asked if anyone was interested in attending a May 23 luncheon for Top Producers for the Santa Clara County Board of Realtors. He also asked for a city representative to speak at the luncheon about the City's commercial properties online inventory.

4. Citizens Forum

There were no comments from the public.

5. Minutes

Motion to approve the March 8, 2004 minutes as submitted.

M/S: Songcayawon/DeSmidt

Ayes: Unanimous Absent: Black, Gammon, Pham and Tsao

6. Approval of Agenda

Chair McDonough asked that agenda item number 8 precede item number 7 because there were guests present for that item.

Motion to approve the agenda as amended.

M/S: DeSmidt/Nguyen Ayes: Unanimous

Absent: Black, Gammon, Pham and Tsao

Commissioner Tsao arrived. Analyst Maxwell, introduced Charlene Tsao, the Mayor's new appointment to the Commission as Alternate No. 2.

7. Nanotechnology Conference Report

Vice Chairman Brahmbhatt described the IEEE Nanotechnology Council and noted they meet regularly in Milpitas. He introduced two guests from the Council, Mike Topsakal and Slava Mach. He distributed his notes from the conference and minutes of the April Nanotechnology Council meeting.

Commissioner Pham arrived.

8. Economic Development Plan

Doug Svesson, Applied Development Economics (ADE), introduced himself and Kathie Studwell, the project manager. He described ADE and noted they would interview each of the Commissioners individually.

Kathie Studwell referred to a slide presentation and described the purpose of developing an economic development plan and described the development process. Svesson described the research that would be conducted for the project.

Vice Chairman Brahmbhatt spoke to the importance of including issues associated with education in the study. Svesson answered questions noting that the market analysis will identify industries that are in over supply and tools to help target desirable industries. Chair McDonough announced that a new business organization has begun in cooperation with the school district entitled Business Education Alliance (BEAM). She noted its existence and purpose should be incorporated into the study.

Richard Ruth, resident, discussed the need for housing, especially high-end housing. Svesson noted the study would address how housing meets the needs of local industry for the workforce. Svesson answered questions regarding the project process, identification of goals, the typical five year planning term, need to include the Chamber of Commerce and other local organizations in the process, the definition of competitiveness, and the need to

address short-term strategies. Svesson confirmed that the short-term projects being pursued by the Commission could be built into the overall program.

Chair McDonough described the Profile Subcommittee's memento project. Svesson discussed how staffing issues will be addressed and the need to look at the experience and ideas used in other communities.

Rob Means, resident, discussed the importance of including energy efficiency in the overall plan. Svesson confirmed that it was already identified as an issue to address. City Manager Wilson emphasized that the Commission and staff can continue to work on the short-term projects while the study is underway. He also noted the importance of the Commission's input on the visioning process.

9. Subcommittee Reports

Commissioner Peoples asked that the Business Incentives & Retention report last.

B. Legislation

Commissioner DeSmidt reviewed five pending bills before the State legislature on unemployment insurance reform. He also described the status of the workers compensation reform bill. Analyst Maxwell reported that the League of California Cities had a watch position for one of the unemployment insurance bills and was reviewing the remaining four bills. It was the consensus of the Commission to consider the status of the unemployment bills at the next meeting.

Mayor Esteves announced that he had to leave the meeting and indicated he would like to see an action plan from the Commission on their short-term proposals.

C. Profile

Commissioner Songcayawon reported on the three projects being investigated by the Subcommittee: gateway identification, mementos and parking restrictions for street sweeping.

Motion to recommend the City Council adopt parking restrictions for sweep sweeping services.

M/S: Songcayawon/Maglalang

During discussion of the motion, Commissioner Peoples expressed frustration at continued attempts to piecemeal projects to the City Council. He advocated preparing a cohesive plan from the Commission for the Council and the consultants. He also described the need to document the Commission's goals in the report.

Ayes: Maglalang, Songcayawon

Noes: Brahmhatt, DeSmidt, McDonough, Nguyen, Peoples, Pham

Absent: Black, Gammon Abstain: Tsao

It was noted that the motion failed.

Chair McDonough asked that the full report from the Profile Subcommittee be considered at the next Commission meeting.

A. Business Incentives & Retention

Commissioner Don Peoples reported on a follow-up meeting with San Jose State University representatives on nanotechnology. He also expressed disappointment that the Subcommittee's report was not agendaized for discussion and asked that it be on the next meeting agenda.

11. Adjournment

The Chair adjourned the meeting at 8:10 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, June 21, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black
Dhaval Brahmbhatt
Frank DeSmidt
Christie Gammon

Ray Maglalang
Diane McDonough
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 1)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Donald Peoples, Michael Pham, Charlene Tsao (Alt. No. 2)

The Chair designated Alternate Tomo Tuong Nguyen to fill a vacant seat on the Commission.

City Staff Present: Cindy Maxwell and Tom Wilson.

3. Announcements

Commissioner Dr. Karl Black reported that the Business & Education Alliance of Milpitas would hold their charter meeting this week and invited all interested to attend. Vice Chairman Dhaval Brahmbhatt announced that a bioscience incubator and center recently opened in south San Jose. Mayor Jose Esteves congratulated Commission Chair, Diane McDonough, for being selected Business Person of the Year by the Chamber of Commerce. Staff, Cindy Maxwell, introduced Lordia Fok who is working in the City Manager's Office as an intern.

4. Citizens Forum

There were no comments from the public.

5. Minutes

Motion to approve the April 12 and May 10, 2004 minutes as submitted.

M/S: Brahmbhatt/Maglalang

Ayes: Unanimous Absent: Peoples, Pham and Tsao

6. Approval of Agenda

Commissioner Ray Maglalang asked that agenda item number 7A precede item number 7B because there were guests present for that item.

Motion to approve the agenda as amended.

M/S: Gammon/Brahmbhatt

Ayes: Unanimous Absent: Peoples, Pham and Tsao

7. Short Term Action Plan

A. Profile Subcommittee Report

Commissioner Tomo Nguyen reviewed the report and recommendations from the Profile Subcommittee. Commissioner Maglalang noted there was a gateway sign project in a previous Capital Improvement Program but it had since been deleted.

B. Incentives, Retention & Nanotechnology Subcommittee Report

Vice Chairman Brahmbhatt reviewed the report. In response to discussion, City Manager Tom Wilson indicated that he is the primary contact when major business inquiries are received by the city. Discussion followed regarding providing incentives to property owners to complete tenant improvements in vacant industrial buildings. Mr. Wilson noted it is the City Council's decision on how best to use redevelopment agency funding.

Vice Chairman Brahmbhatt encouraged the City to take a leadership position in the field of nanotechnology. He described Milpitas' advantages in attracting nanotechnology enterprises and mentioned Federal-funding opportunities. He reported discussions on funding issues with several legislators and stated that this would be a great opportunity to establish a public/private partnership.

Mr. Wilson noted that there is currently little market demand to convert industrial property to residential. He noted the City Council's efforts to maintain present zoning designations and regulate use conversions. Mayor Esteves confirmed the Council's efforts, which include modifying restrictions for church uses in industrial areas.

Ms. Maxwell distributed ranking worksheets to the Commission. The Commission noted their rankings and returned them to staff for calculating overall priorities.

8. Economic Development Plan

Doug Svesson, Applied Development Economics (ADE), using a slide show, reviewed the preliminary demographic and economic information for Milpitas compared to the Tri-County area and north San Jose.

Mr. Svensson noted that not all retailers are storefronts or represent point of sale. He described that they will next assess how well Milpitas is serving the local population. Mr. Wilson noted that we already know we are leaking high-end retail to other cities such as San Jose and Santa Clara. Kathie Studwell, ADE, reviewed the public outreach plan that

includes a business survey, executive interviews and focus groups. She asked for help from the Commission in identifying Asian businesses and local startup companies. Mr. Wilson suggested also taking advantage of City Commissioners for information. Ms. Studwell reviewed the methodology for the business survey and the anticipated response rate. The Commission discussed the importance of reaching a mix of ethnic groups through the survey.

Mr. Svensson described how the Plan would research and address the economic contributions of the different business sectors in Milpitas. He noted that personal services are included in the definition of a "local serving business" but that there is no information on sales because they are not taxable. The Commission also discussed unemployment and whether local businesses should have a procurement preference by the City.

Mayor Esteves asked that ADE provide an overall project schedule and outline of the Economic Development Plan document.

9. Legislative Subcommittee Report

Commissioner DeSmidt distributed information on the City Council's recent actions on the Neighborhood Beautification Ordinance. He indicated the Commission would review the proposed amendments at a future meeting. He also distributed information on a proposed increase to Building Permit Fees and discussed the scale of the changes and the review process. Commissioner Black described the status of a proposed countywide education parcel tax.

1. Action Plan (continued)

Ms. Maxwell reported the results of the Commission's ranking of the Subcommittee recommendations in agenda item 7.

Motion to recommend the following prioritization of Subcommittee recommendations for consideration in the Economic Development Plan:

- 1) Make installation of City gateway signs a priority in the implementation of the Streetscape Master Plan.
- 2) Develop a nanotechnology incubator.
- 3) Develop a plan to market city souvenir mementos.
- 4a.) Research development of an ordinance to ban on-street parking on street sweeping day.
- 4b.) Review the status of the staff customer service report.

Unranked:

- Establish a Business Improvement District.
- Consider Hub Zones and Enterprise Zones.
- Create a staff liaison to business community and to assist new businesses.
- Consider developing a database of existing vacant or available buildings and their infrastructure.

- Consider development of special incentives for tenant improvements in vacant buildings.
- Develop a placement program for graduates of the nanotechnology incubator.
- Develop a policy/guideline to address conversion of industrial/research and development property to residential use.

The Commission discussed how to take more immediate action on the projects and how they would be incorporated into the Economic Development Plan process.

M/S: DeSmidt/Black

Ayes: Unanimous

Absent: Peoples, Pham, Tsao

Chair McDonough circulated a photograph of a gateway sign for the city of Monterey. Vice Chairman Brahmbhatt suggested that electronic signs, such as one located on the Peninsula off 101, be considered in the design of gateway signs.

11. Adjournment

The Chair adjourned the meeting at 8:10 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, August 9, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black
Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Donald Peoples
Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 1)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Christie Gammon, Charlene Tsao (Alt. No. 2)

The Chair designated Alternate Tomo Tuong Nguyen to fill the vacant seat on the Commission. The Chair also indicated that Commissioner Gammon would be resigning because of a job change and asked for recommendations on a replacement.

City Staff Present: Cindy Maxwell and Blair King.

3. Announcements

Commissioner Ray Maglalang announced that he is running for a seat on the Milpitas School Board. Mayor Esteves reported on the Council's action on the Commission's recommendations. He noted that the gateway signs project would be implemented right away. Vice Chairman Brahmbhatt invited Commissioners to an August 17 luncheon and conference for the Nanotechnology Council.

Commissioners Peoples and Songcayawon arrived.

4. Citizens Forum

There were no comments from the public.

5. Minutes

Motion to approve the June 21, 2004 minutes as submitted.

M/S: Black/Nguyen

Ayes: Unanimous Absent: Gammon and Tsao

6. Approval of Agenda

Motion to approve the agenda as amended.

M/S: Black/Brahmbhatt

Ayes: Unanimous Absent: Gammon and Tsao

7. Economic Development Plan

Doug Svensson, Applied Development Economics (ADE), overviewed economic cycles and relationships in Milpitas. Wes Ervin, ADE, reviewed typical goals for economic development and identified the top three areas cities can most effectively impact: (1) infrastructure and planning, (2) housing and quality of life and (3) local regulations.

The Commission discussed educational services in Milpitas. Vice Chairman Brahmbhatt described a need to connect public transit to the airport. Mr. Ervin and Commissioner Black described the variety of incentives that can be provided through redevelopment agencies. Mr. Ervin noted that Small Business Development Corporations (SBDC) are operated through community colleges. He noted that Milpitas could promote SBDC's or provide funding for it.

Commissioner DeSmidt asked if ADE could evaluate the need and potential for a Tourist Business District (TBD). Chair McDonough stated that the City needs a themed center to attract visitors. Discussion followed on the need for larger meeting facilities.

Commissioner Peoples listed the national opening of Bobbysox and the September air show at Ed Levin as major attractions to Milpitas. Mayor Esteves stated that he was working on various events that celebrate the City's diversity. Commissioner Peoples noted that encouraging events and coordinating City activities is everybody's job. There was further discussion about the feasibility of using redevelopment funding in the hillsides. Assistant City Manager Blair King discussed the potential of combining meeting space with other uses like parking garages. Vice Chairman Brahmbhatt suggested that a hillside quarry could be redeveloped an entertainment facility. Mayor Esteves suggested that art is an important component of economic development and quality of life.

Peter Cheng, ADE, provided an update on the business survey, reviewed preliminary survey results, answered questions regarding the City's location and retail attraction and sales trends. Commissioner Songcayawon suggested that utility costs may be an important factor for local businesses and the City may want to explore potential energy development projects. Vice Chairman Brahmbhatt suggested the retail center at Calaveras and Park Victoria as a redevelopment project.

Kathy Studwell, ADE, discussed the planned Commissioner Forum. It was the consensus of the Commission to encourage business executives to attend. Ms. Studwell reviewed the status of developing an economic strategy and asked for suggestions on potential goals and issues.

Further discussion followed regarding meeting facilities, reviewing Federal and State budgets as part of the economic strategy development process and City procurement practices.

8. Subcommittee Reports

A. Legislation

Commissioner DeSmidt discussed workers compensation reform efforts and distributed handouts from the Chamber of Commerce on various legislative proposals.

B. Incentives

Commissioner Peoples described how Handcraft Tile has been located in Milpitas since 1920 and being evicted for a senior housing project. He reported that he encouraged them to stay in Milpitas and asked if the City can help through permit streamlining. He also reported on a potential nanotechnology incubator-building project.

C. Profile

Commissioner Maglalang reported on the status of gateway signs. Mr. King announced that the City's identification signs were being updated with the correct population.

Mayor Esteves asked the Commission about their role on gateway signs. It was the consensus of the Commission that they would like to be involved with the planning of the signs. Mr. King described the various types of signs.

9. Next Meeting Agenda

Commissioner Peoples suggested the Commission develop a work plan. Mayor Esteves encouraged the Commission to be involved in the development and implementation of the recommended projects. The Commission discussed the possibility of having a second meeting in September for work plan development and sign ordinance review. It was the consensus of the Commission not to have a second September meeting.

11. Adjournment

The Chair adjourned the meeting at 8:10 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, September 13, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:10 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black
Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Donald Peoples
Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 1)
Charlene Tsao (Alt. No. 2)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Christie Gammon

Other City Commissioners Present:

Donna Wynne, CEPAC
Amanda Santos, Sr. Advisory Commission
Joe Hall, YAC
Nestor Luna, CAC
William Lam, Telecommunications Comm.

Margie Stephens, Library Advisory Comm.
Marilyn Hay, Library Advisory Commission
Deepka Lalwani, Planning Commission
Gunawan Alisantosa, Telecommun. Comm.
Marie Pham, CAC

City Staff Present: Tom Wilson, Blair King, Dennis Carrington, Tambri Heyden, and Cindy Maxwell

Economic Development Forum

The Chair invited Mayor Jose Esteves to begin the Forum proceedings. Mayor Esteves welcomed everyone present, thanked them for making the time to attend and invited everyone to actively participate in a positive style.

The Chair invited representatives of Applied Development Economics (ADE) to proceed with the Forum. Kathie Studwell, Project Manager of ADE, provided an overview of the evening's activities, reviewed the material contained in a handout for the meeting and asked the audience, "What is the most important economic goal for Milpitas for the year 2020?"

Discussion followed on using the year 2020 for the goal. Ms. Studwell described the characteristics of a goal statement. The audience was divided into two groups for further discussion and goal development.

ADE representatives led each of the two groups. Individual participants wrote a proposed economic goal for Milpitas and discussed it with their group. The goals were grouped by topic and the group members voted to identify their highest priority goals.

The two groups recombined. Ms. Studwell reviewed the goals identified by Group 1 as relating to business climate, education and housing. Doug Svensson, ADE Principal, reviewed Group 2's goals relating to economic mix, government/business relations and downtown concerns. All Forum participants voted for their highest priority goals with the following votes:

- 13 Economic mix, including quality jobs, well-rounded business base and technologically advanced
- 12 Business climate
- 11 Government business relations
- 10 Downtown – linked to City's image
- 10 Education
- 5 Housing

Ms. Studwell announced that the next steps in the project are to incorporate the findings of their research, and the results of this Commissioner Forum, into broad goal statements for Milpitas. She invited anyone with questions to contact the City Manager's Office. Commissioner Maglalang noted that he thought all the identified goals were in some way related to the City's image.

The Chair asked for a five-minute break.

3. Announcements

Cynthia Maxwell, Analyst, reminded the EDC about the Commission ethics training on October 7 and 21. Vice Chairman Brahmbhatt invited interested parties to attend a September 21 luncheon to hear a speaker on nanotechnology. Vice Mayor Patricia Dixon reported on a recent fundraising drive of the Milpitas Foundation for Education. Commissioner DeSmidt spoke about two Chamber of Commerce events, a speaker for Rotary next week from the *San Jose Mercury News* and the upcoming Air Show at Ed Levin Park.

4. Citizens Forum

There were no comments from the public.

5. Sign, Zoning and Neighborhood Beautification Ordinances

Dennis Carrington, Senior Planner, described the purpose of the ordinance amendments. He indicated the Sign Ordinance was reorganized so it was easier to use, incorporates sign types not currently covered by the ordinance, proposes changes to sign program criteria,

and provides more specific design guidelines. Mr. Carrington answered questions regarding how regulations are determined, changes in staff authority, and proposed enforcement changes. He also noted that the ordinance changes were on the city web page and he would like to hear the Commission's comments regarding them.

Commissioner DeSmidt noted that the proposed changes to the sign ordinance makes enforcement efforts proactive as opposed to the traditional practice of reactive. He suggested a summary of the changes be prepared in layman's' terms and sent to businesses when the new ordinance is adopted. Commissioner Nguyen discussed the importance of signage for small businesses. Commissioner Maglalang expressed concern about how to provide directional signage for guests at a professional luncheon. Commissioner Peoples stated that the City should have proactive enforcement so local residents don't have to complain. He noted that the ordinance changes seem consistent and clear and he liked that it was conveniently available online.

Mr. Carrington described how the experiences of other jurisdictions are applied to Milpitas' proposed ordinance changes. He also discussed a tentative timeline for Council approval of the proposed changes and noted that some existing signs would become legal nonconforming under the proposed ordinance changes.

Commissioner Black left the meeting at 8:10 p.m.

George Donovan, Milpitas commercial property owner, addressed the Commission regarding the proposed sign ordinance changes. Bill Cilker, Jr., Milpitas commercial property owner, recommended that the application process for temporary and banner signs be user-friendly and easy. Tambri Heyden, Acting Planning & Neighborhood Services Manager, indicated permits would be administrative via the web page or over the counter. There would be no charge for a permit. Mr. Carrington noted that building renovations would not trigger the need for a new sign program and emphasized that sign programs need to be flexible. The Commission further discussed temporary signs in the Town Center and problems presented by establishments that do not have signs at all.

Vice Chairman Brahmbhatt left the meeting at 8:20 p.m.

The Commission discussed how the business community is affected by the proposed sign ordinance changes and that it is important that the ordinance be flexible and not be a burden to businesses. Commissioner DeSmidt asked the EDC to continue the discussion to the next meeting so the Commission could review the changes made as a result of public input.

Motion: Agendize review of the revised Sign Ordinance for the October EDC.

M/S: Peoples/DeSmidt

Ayes: All

Absent: Black, Brahmbhatt, Gammon

The Chair adjourned the meeting at 8:30 p.m.

Respectfully submitted, Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, October 11, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black

Dhaval Brahmbhatt

Frank DeSmidt

Ray Maglalang

Diane McDonough

Donald Peoples

Michael Pham

Tomo Tuong Nguyen (Alt. No. 1)

Charlene Tsao (Alt. No. 2)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Christie Gammon, Vincent Songcayawon

City Staff Present: Tom Wilson, Dennis Carrington, Tambri Heyden, and Cindy Maxwell

3. Announcements

Commissioner DeSmidt invited everyone to attend the Chamber of Commerce's Candidates Forum. Mayor Esteves noted there was a special City Council meeting scheduled. Commissioner Black announced that the Milpitas High School Library would be open on Monday afternoon and evenings to help compensate for the public library's closing on Mondays. Don Peoples described the status of the KB Homes project and encouraged the community to become familiar with the project and participate in the review process. Vice Chairman Brahmbhatt invited everyone to attend the IEEE Nanotech luncheon on October 26. Cynthia Maxwell, Analyst, reviewed the agenda attachments and handouts.

3. Citizens Forum

There were no comments from the public.

4. Milpitas Post Marketing Proposal

Rob Devincenzi, *Milpitas Post*, provided a handout of a public relations campaign in San Mateo and described the scope of available services the *Post* could provide for a similar campaign in Milpitas. Mr. Devincenzi answered questions regarding the frequency and reach of his proposal. The Commission discussed marketing plans and timing for maximum effectiveness. Mr. Devincenzi indicated a campaign would need 3 to 4 months to plan and 3 weeks to layout the design. The Chair thanked Mr. Devincenzi for the information and noted the Commission will consider specific program types after the marketing strategy is designed in the pending Economic Development Plan.

5. Economic Development Plan

Kathy Studwell and Peter Cheng, Applied Development Economics (ADE), reviewed the status of the Economic Development Plan project. They provided a slide show with summary results of the retail analysis, benchmarking and SWOT analysis. They also reviewed preliminary thoughts on goal development for discussion with the Commission. There was discussion regarding including San Jose and Fremont in the benchmark survey. Ms. Studwell answered questions regarding education quality, jobs/housing balance, economic value of various housing types, and Great Mall development plans. Vice Chairman Brahmhatt asked if data was available regarding seniors and high school age demographics. There was further discussion regarding the current status and future plans for the Great Mall and its implications for the Milpitas economy. The Commission also talked about telecommuting trends, interest in converting industrial land to residential, jobs/housing balance, city costs for additional residential, and job outsourcing.

6. Minutes

Motion to approve the August 9, 2004 Minutes as submitted.

M/S: Black/Nguyen Ayes: All

Motion to approve the September 13, 2004 Minutes as submitted.

M/S: Black/Nguyen Ayes: All

7. Sign, Zoning and Neighborhood Beautification Ordinances

Dennis Carrington, Senior Planner, described the status of the proposed ordinance amendments. Discussion followed regarding the membership of the task forces, scope of proposed ordinance changes, accountability of business owners under the current ordinance, and the City Council's expectation of the Economic Development Commission (EDC) on this item. Tambri Heyden, Acting Director of Planning and Neighborhood Preservation, indicated that the EDC would receive a status report on the task force activities before the ordinances return to the City Council. Commissioner Peoples emphasized the importance for the ordinance to clarify the City's current sign regulations.

Motion: The EDC should investigate the enforcement elements of the proposed Sign Ordinance and assess the business community's needs.

Motion: Peoples

Motion died for lack of a second.

Commissioner Nguyen indicated he would like the existing sign ordinance simplified and consolidated and that he was concerned about the potential for the City unreasonably infringing on business operations. There was discussion about the ordinance's applicability to various types of signs.

The Chair adjourned the meeting at 8:15 p.m.

Respectfully submitted, Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, November 8, 2004**

APPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2. Roll

Commissioners Present:

Frank DeSmidt

Ray Maglalang

Diane McDonough

Tomo Tuong Nguyen (Alt. No. 1)

Donald Peoples

Michael Pham

Vincent Songcayawon

Charlene Tsao (Alt. No. 2)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Dr. Karl Black, Dhaval Brahmbhatt, Christie Gammon,

City Staff Present: Blair King and Cindy Maxwell

The Chair appointed Alternates 1 and 2 to assume voting positions on the Commission because of tonight's absences.

3. Announcements

The Chair congratulated Mayor Esteves on his reelection. Mayor Esteves invited Commissioners to the swearing-in ceremony on December 7, 2004. Commissioner Songcayawon announced that he was recently elected to the Evergreen Elementary School District. Commissioner Maglalang announced the Milpitas Executive Lions Club would hold a fundraising event for the Milpitas High School Leo Club. Cindy Maxwell, Analyst, distributed two surveys on the commissioner recognition survey and noted that there was information posted on the city web page about the economic development plan.

3. Citizens Forum

There were no comments from the public.

4. Minutes

Motion to approve the October 11, 2004 minutes as submitted.

M/S: Maglalang/DeSmidt

Ayes: Unanimous

Absent: Black, Brahmbhatt and Gammon

5. Economic Development Plan

Ms. Maxwell summarized the history and background of the economic development plan project. Blair King, Assistant City Manager, provided an overview of the goal-setting

process and distributed a handout of sample goals. He emphasized that a community's economic development process must be a continuous effort that is flexible to meet the changing needs of the community. Kathy Studwell, Applied Development Economics (ADE), described the research methodology that the goals will be based on. She described the difference between goals and measurable objectives and implementation strategies.

Ms. Studwell stated that a proposed goal could be to maximize retail-spending opportunities in Milpitas. She explained that this goal would address improving the performance of the Great Mall and generating more spending by Milpitas workers. Strategies could be to optimize land use around the Mall, provide more opportunities for regional retail and provide additional high-end housing to support upscale retail. Commissioner Peoples stated his preference for the word "improve" rather than "maximize". Chair McDonough noted that the business environment is most important. Ms. Studwell answered questions regarding the nature of a "regional shopping corridor" and clarified that it could include conversion of industrial to commercial. Mr. King described the goal as anticipating the city's needs in the changing retail environment of the future. Ms. Studwell described the aggressive activities of adjoining cities to developing competing commercial. Discussion followed regarding the need for goals to be general statements and objectives to be specific and measurable.

Ms. Studwell described the second goal as relating to the improvement of Milpitas' image. She emphasized the importance of image to be competitive in the sale tax generating market. She stated that "place-branding" is a new specialty and that the city needs to identify strengths, and some negatives that can actually be strengths. Ms. Studwell described how 60% of Milpitas households speak two or more languages. Discussion followed.

Ms. Studwell described the third goal as balancing housing to better meet the demand of the workforce. She noted that only 10% of Milpitas workers live in town. Commissioner Peoples described how more affordable housing is more important to the business community than higher-end housing. Mr. King described how the city could leverage the spending of Milpitas' daytime workforce. Ms. Studwell reported that it was noted in executive interviews that employees are often discouraged from locating in Milpitas because of image and school quality.

Mr. Peoples stated that more housing affordable to young professionals is needed. Ms. Studwell described Milpitas' efforts to provide affordable housing. Discussion continued about making it easier for first time buyers to afford homeownership. Mr. King described how some affordable homes provided by the city are financially structured. He explained how Milpitas is aggressively pursuing affordable housing and used as examples the challenge of the C3 requirements of NPDES permits and advocacy for revisions to CEQA to promote infill rather than construction in outlying areas. Discussion followed regarding fees and taxes imposed on new housing.

Ms. Studwell discussed how Milpitas' employment needs might be addressed by training. Chair McDonough noted that NOVA is very active in local schools and the Chamber of

Commerce. There was discussion about the need for NOVA to maintain an office in Milpitas and the costs associated with doing that.

Ms. Studwell summarized the goals that were identified. The Commission discussed whether to create a subcommittee to continue work on the goals, possible image concepts for Milpitas including “global community”, and assets that Milpitas should take into consideration when developing a concept. The Commission talked about scheduling a meeting in December to continue working on the goals and objectives. Mr. King described a potential agenda item about a garage/banquet facility on North Main Street. There was discussion about employment opportunities for Milpitas residents.

Motion to schedule a special Commission meeting for Monday, December 13, 2004.

M/S: DeSmidt/Songcayawon Ayes: All

Absent: Black, Brahmbhatt and Gammon

Commissioner Peoples noted that the December meeting is an opportunity to influence the identified objectives and ensure they include the recommendations that were recently developed by the EDC subcommittees. The Commission requested that the draft goals and objectives be included with the mailed agenda packet for December 13.

6. Sign, Zoning and Neighborhood Beautification Ordinances

Ms. Maxwell noted a written status report was included with the mailed agenda package. She also described a correction to the memo.

Commissioner DeSmidt reported on the five meetings he attended for the Task Forces on the ordinances. He explained that he disagreed with the report that identified a position supported by a majority of task force members since no vote had been taken on the issue. He stated that proactive enforcement of the sign ordinance is contrary to economic development goals. Commissioner DeSmidt encouraged the EDC to take a position on the proposed ordinance amendments soon. He reported that there will be outreach meetings with businesses on the sign ordinance and described off-site sign location and design considerations.

Chair McDonough spoke on the significance of allowing off-site advertising and said there would be another sign task force meeting this Friday. Commissioner DeSmidt asked that the proposed ordinances be included on the December 13 agenda, noted that the Planning Commission would also review them in December, described the proposed proactive enforcement process, and noted that some issues still needed clarification. Commissioner Peoples described the connection between businesses and residential is that we all live and work in the same community, especially in the Midtown area, and suggested the design of signs for Santana Row in San Jose as an example. He emphasized the need for flexibility in the ordinance so creativity can be encouraged. Chair McDonough asked that the proposed ordinances be on the December 13 EDC agenda.

7. Gateway Signs

Ms. Maxwell summarized the status report on the Gateway Signs project. Discussion followed on the status of the sign design depicted in the Streetscape Master Plan. Commissioner Peoples stated that he felt the EDC should provide input on the planning of major gateway signs.

8. Next meeting agenda

Ms. Maxwell noted the next agenda would include review of the economic development plan goals and objectives and the review of the proposed amendments to the sign, zoning, and neighborhood beautification ordinances.

Commissioner Peoples announced that he is lobbying to recognize Handcraft Tile as an asset that may have tourism value for Milpitas and that he may have identified a building that could be used as a nanotechnology incubator.

9. Adjournment

The Chair adjourned the meeting at 8:05 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, December 13, 2004**

UNAPPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Ray Maglalang
Diane McDonough

Tomo Tuong Nguyen (Alt. No. 1)
Donald Peoples
Vincent Songcayawon
Charlene Tsao (Alt. No. 2)

Mayor Jose Esteves (Council Liaison)

Commissioners Absent: Dr. Karl Black, Christie Gammon, Michael Pham

City Staff Present: Blair King and Cindy Maxwell

The Chair appointed Alternates 1 and 2 to assume voting positions on the Commission because of tonight's absences.

3. Announcements

Vice Chairman Brahmbhatt: Nanotechnology event

Commissioner DeSmidt: Chamber of Commerce Crab Feed event

Commissioner Maglalang: Knights of Columbus breakfast event

3. Citizens Forum

There were no comments from the public.

4. Agenda

Motion to move item no. 7 before no. 6 and item no. 9 before no. 8.

M/S: Maglalang/Peoples Ayes: All Noes: None

Absent: Black, Gammon, Pham

5. Minutes

Motion to approve the November 8, 2004 minutes as submitted.

M/S: Maglalang/Nguyen Ayes: All Noes: None

Absent: Black, Gammon, Pham

6. N. Main St. West Garage & Banquet Facility

Assistant City Manager Blair King and Principal Engineer Steve Erickson briefed the Commission on the proposed project. There was discussion regarding alternatives for the banquet facility and construction and operating costs. Mayor Esteves discussed the operation of the proposed banquet facility.

Motion to recommend the proposed West Garage and banquet facility be considered by the City Council as presented by staff. M/S: DeSmidt/Maglalang

The makers of the motion accepted an amendment from Commissioner Peoples that added a statement that the banquet facility would benefit the economic health of the community.

Ayes: All Noes: None Absent: Black, Gammon, Pham

7. Gateway Signs

City Engineer Greg Armendariz provided a progress report on the gateway signs project. The Commission discussed the design review process, the approved Streetscape Plan, design features including landscaping, locations, and approval process.

8. Economic Development Plan

Kathie Studwell, Applied Development Economics, reviewed the goals and objectives. The Commission discussed new retail development in the area, providing housing for employees, business attraction, the need for high-end offices, the City's image, the need to focus on things the City can control, and nanotechnology. The Commission agreed that the City's image is the most important goal.

9. Sign, Zoning & Neighborhood Beautification Ordinances

Tambri Heyden, Acting Planning and Neighborhood Preservation Director, reviewed the nature and status of the project. She noted that the temporary sign registry would not apply to open house signs, described the Milpitas "eyes" program, described the enforcement process, discussed issues with for sale and lease signs, and explained the planned outreach and education efforts. Chair McDonough noted that the business community had ample opportunity to provide input during the Task Force meetings.

Motion to recommend approval of the proposed ordinance changes.

M/S: Songcayawon/Brahmbhatt

Ayes: All Noes: None Absent: Black, Gammon, Pham

10. Adjournment

The Chair adjourned the meeting at 8:202 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst